

PREVAILED

Roll Call No. \_\_\_\_\_

FAILED

Ayes \_\_\_\_\_

WITHDRAWN

Noes \_\_\_\_\_

RULED OUT OF ORDER

## HOUSE MOTION \_\_\_\_\_

MR. SPEAKER:

I move that House Bill 1001 be amended to read as follows:

Page 168, between lines 46 and 47, begin a new paragraph and insert:

"SECTION 151. IC 6-4.1-2-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not apply to a property interest transferred from the estate of a decedent whose death occurs after June 30, 1999.**

SECTION 152. IC 6-4.1-3-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not apply to a property interest transferred from the estate of a decedent whose death occurs after June 30, 1999.**

SECTION 153. IC 6-4.1-4-0.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 0.2. Beginning July 1, 1999, this chapter does not apply to a property interest transferred from the estate of a decedent whose death occurs after June 30, 1999.**

SECTION 154. IC 6-4.1-5-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not apply to a property interest transferred from the estate of a decedent whose death occurs after June 30, 1999.**

SECTION 155. IC 6-4.1-6-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not apply to a property interest transferred from the estate of a decedent whose death occurs after June 30, 1999.**

SECTION 156. IC 6-4.1-7-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not apply to a property interest transferred from the estate of a decedent whose death occurs after June 30, 1999.**

SECTION 157. IC 6-4.1-8-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not apply to a property interest transferred from the estate of a decedent whose death occurs after June 30, 1999.**

SECTION 158. IC 6-4.1-9-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not apply to a property interest transferred from the estate of a decedent whose death occurs after June 30, 1999.**

SECTION 159. IC 6-4.1-10-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: **Sec. 0.5. Beginning July 1, 1999, this chapter does not apply to a property interest transferred from the estate of a decedent whose death occurs after June 30, 1999.**

SECTION 160. IC 6-4.1-11-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2. (a) **This section applies to the estate of a decedent whose death occurs before July 1, 1999.**

(b) The Indiana estate tax is the amount determined in STEP FOUR of the following formula:

STEP ONE: Divide:

(A) the value of the decedent's Indiana gross estate; by

(B) the value of the decedent's total gross estate for federal estate tax purposes.

STEP TWO: Multiply:

(A) the quotient determined under STEP ONE; by

(B) the federal state death tax credit allowable against the decedent's federal estate tax.

The product is the Indiana portion of the federal state death tax credit.

STEP THREE: Subtract:

(A) the amount of all Indiana inheritance taxes actually paid as a result of the decedent's death; from

(B) the product determined under STEP TWO.

STEP FOUR: Determine the greater of the following:

(A) The remainder determined under STEP THREE.

(B) Zero (0).

~~(b)~~ (c) For purposes of this section, the value of a nonresident decedent's Indiana gross estate equals the total fair market value on the appraisal date of tangible personal property and real estate which had an actual situs in Indiana at the time of the decedent's death and which is included in the decedent's gross estate for federal estate tax purposes under Sections 2031 through 2044 of the Internal Revenue Code.

~~(c)~~ (d) For purposes of this section, the value of a resident decedent's Indiana gross estate equals the total fair market value on the appraisal date of personal property and real estate that had an actual situs in Indiana at the time of the decedent's death and all intangible personal property wherever located that is included in the decedent's gross estate for federal estate tax purposes.

~~(d)~~ (e) For purposes of this section, the value of a resident or nonresident decedent's total gross estate for federal estate tax purposes equals the total fair market value on the appraisal date of the property included in the decedent's gross estate for federal estate tax purposes under Sections 2031 through 2044 of the Internal Revenue Code.

~~(e)~~ (f) For purposes of determining the value of a decedent's Indiana gross estate and the decedent's total gross estate, the appraisal date for each property interest is the date on which the property interest is valued for federal estate tax purposes.

~~(f)~~ (g) The estate tax does not apply to a property interest transfer made by a resident decedent if the interest transferred is in:

(1) real property located outside Indiana, regardless of whether the property is held in a trust or whether the trustee is required to distribute the property in-kind; or

(2) real property located in Indiana, if:

(A) the real property was transferred to an irrevocable trust during the decedent's lifetime;

(B) the transfer to the trust was not made in contemplation of the transferor's death, as determined under IC 6-4.1-2-4; and

(C) the decedent does not have a retained interest in the trust.

1 SECTION 161. IC 6-4.1-11-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 1999]: Sec. 2.5. (a) This section applies to the estate of a decedent whose  
3 death occurs after June 30, 1999.

4 (b) The Indiana estate tax is the amount determined in STEP THREE of the following formula:

5 STEP ONE: Divide:

6 (A) the value of the decedent's Indiana gross estate; by

7 (B) the value of the decedent's total gross estate for federal estate tax purposes.

8 STEP TWO: Multiply:

9 (A) the quotient determined under STEP ONE; by

10 (B) the federal state death tax credit allowable against the decedent's federal estate tax.

11 The product is the Indiana portion of the federal state death tax credit.

12 STEP THREE: Determine the greater of the following:

13 (A) The product determined under STEP TWO.

14 (B) Zero (0).

15 (c) For purposes of this section, the value of a nonresident decedent's Indiana gross estate equals the total  
16 fair market value on the appraisal date of tangible personal property and real estate that had an actual situs  
17 in Indiana at the time of the decedent's death and that is included in the decedent's gross estate for federal  
18 estate tax purposes under Sections 2031 through 2044 of the Internal Revenue Code.

19 (d) For purposes of this section, the value of a resident decedent's Indiana gross estate equals the total fair  
20 market value on the appraisal date of personal property and real estate that had an actual situs in Indiana  
21 at the time of the decedent's death and all intangible personal property wherever located that is included  
22 in the decedent's gross estate for federal estate tax purposes.

23 (e) For purposes of this section, the value of a resident or nonresident decedent's total gross estate for  
24 federal estate tax purposes equals the total fair market value on the appraisal date of the property included  
25 in the decedent's gross estate for federal estate tax purposes under Sections 2031 through 2044 of the  
26 Internal Revenue Code.

27 (f) For purposes of determining the value of a decedent's Indiana gross estate and the decedent's total  
28 gross estate, the appraisal date for each property interest is the date on which the property interest is valued  
29 for federal estate tax purposes.

30 (g) The estate tax does not apply to a property interest transfer made by a resident decedent if the interest  
31 transferred is in:

32 (1) real property located outside Indiana, regardless of whether the property is held in a trust or  
33 whether the trustee is required to distribute the property in-kind; or

34 (2) real property located in Indiana, if:

35 (A) the real property was transferred to an irrevocable trust during the decedent's lifetime;

1       **(B) the transfer to the trust was not made in contemplation of the transferor's death, as determined**  
2       **under IC 6-4.1-2-4; and**

3       **(C) the decedent does not have a retained interest in the trust."**

4       Renumber all SECTIONS consecutively.

(Reference is to HB 1001 as printed February 22, 1999.)

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Representative Kruse